

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.  
Form N-Q  
January 24, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-08497

Name of Fund: BlackRock Corporate High Yield Fund III, Inc. (CYE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Corporate

High Yield Fund III, Inc., 55 East 52<sup>nd</sup> Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 02/28/2013

Date of reporting period: 11/30/2012

Item 1 Schedule of Investments

## Consolidated Schedule of Investments November 30, 2012 (Unaudited)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Shares	Value
<b>Common Stocks</b>		
<b>Auto Components 0.9%</b>		
Dana Holding Corp.	66,400	\$ 941,552
Delphi Automotive Plc (a)	45,708	1,553,601 2,495,153
<b>Biotechnology 0.0%</b>		
Ironwood Pharmaceuticals, Inc. (a)	7,130	77,004
<b>Capital Markets 0.7%</b>		
American Capital Ltd. (a)	112,659	1,349,655
E*Trade Financial Corp. (a)	74,600	628,132
Uranium Participation Corp. (a)	35,440	181,597 2,159,384
<b>Chemicals 0.2%</b>		
ADA-ES, Inc. (a)	1,820	29,757
Huntsman Corp.	28,000	460,320 490,077
<b>Commercial Banks 0.5%</b>		
CIT Group, Inc. (a)	39,377	1,458,918
<b>Communications Equipment 0.4%</b>		
Loral Space & Communications Ltd.	12,778	1,087,025
<b>Diversified Financial Services 0.7%</b>		
Kcad Holdings I Ltd.	281,902,800	2,118,218
<b>Diversified Telecommunication Services 0.2%</b>		
Broadview Networks Holdings, Inc. (a)	33,638	225,035
Level 3 Communications, Inc. (a)	22,280	420,201 645,236
<b>Electrical Equipment 0.0%</b>		
Medis Technologies Ltd. (a)	70,784	212
<b>Energy Equipment &amp; Services 0.9%</b>		
Laricina Energy Ltd. (a)	35,294	1,510,037
Osum Oil Sands Corp. (a)	82,000	1,031,862 2,541,899
<b>Health Care Providers &amp; Services 0.0%</b>		
Health Management Associates, Inc., Class A (a)	12,600	100,170
<b>Hotels, Restaurants &amp; Leisure 0.0%</b>		
Travelport Worldwide Ltd.	76,940	10,002
<b>Insurance 0.7%</b>		
American International Group, Inc. (a)	61,659	2,042,763
<b>Media 1.5%</b>		
Belo Corp., Class A	23,782	171,231
Charter Communications, Inc., Class A (a)	58,545	4,147,913
	<b>Shares</b>	<b>Value</b>
<b>Common Stocks</b>		
<b>Media (concluded)</b>		
Clear Channel Outdoor Holdings, Inc., Class A (a)	9,964	\$ 64,766 4,383,910
<b>Metals &amp; Mining 0.1%</b>		
African Minerals Ltd. (a)	47,050	186,616
<b>Oil, Gas &amp; Consumable Fuels 0.1%</b>		
African Petroleum Corp. Ltd. (a)	196,300	227,393
<b>Paper &amp; Forest Products 0.4%</b>		
Ainsworth Lumber Co. Ltd. (a)	122,117	399,537
Ainsworth Lumber Co. Ltd. (a)(b)	140,415	459,404
Western Forest Products, Inc. (a)	158,023	182,943

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Western Forest Products, Inc. (a)	45,762	52,978
		1,094,862
<b>Semiconductors &amp; Semiconductor Equipment 0.3%</b>		
Spansion, Inc., Class A (a)	64,237	752,858
SunPower Corp.	271	1,246
		754,104
<b>Software 0.1%</b>		
Bankruptcy Management Solutions, Inc. (a)	501	10
HMH Holdings/EduMedia (a)	20,718	414,357
		414,367
<b>Wireless Telecommunication Services 0.2%</b>		
MetroPCS Communications, Inc. (a)	45,260	482,019
<b>Total Common Stocks 7.9%</b>		22,769,332

**Par**

**(000)**

**Corporate Bonds**

**Aerospace & Defense 0.8%**

Huntington Ingalls Industries, Inc.:		
6.88%, 3/15/18	USD 230	246,675
7.13%, 3/15/21	295	318,969
Kratos Defense & Security Solutions, Inc., 10.00%, 6/01/17	846	922,140
Meccanica Holdings USA, Inc., 6.25%, 7/15/19 (b)	535	519,161
Spirit Aerosystems, Inc., 7.50%, 10/01/17	337	360,590
		2,367,535
<b>Air Freight &amp; Logistics 0.4%</b>		
National Air Cargo Group, Inc.: Series 1, 12.38%, 9/02/15	575	579,256

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Corporate Bonds</b>			
<b>Air Freight &amp; Logistics (concluded)</b>			
National Air Cargo Group, Inc. (concluded): Series 2, 12.38%, 8/16/15	USD 582		\$ 586,228 1,165,484
<b>Airlines 1.5%</b>			
American Airlines Pass-Through Trust, Series 2011-2, Class A, 8.63%, 4/15/23	672		685,638
Continental Airlines, Inc. Pass-Through Trust: Series 1997-4, Class B, 6.90%, 7/02/18 (c)	278		281,508
Series 2010-1, Class B, 6.00%, 7/12/20	444		453,924
Delta Air Lines Pass-Through Trust: Series 2002-1, Class G-1, 6.72%, 7/02/24	611		671,907
Series 2009-1, Class B, 9.75%, 6/17/18	192		215,077
Series 2010-1, Class B, 6.38%, 7/02/17	500		520,000
US Airways Pass-Through Trust: Series 2011-1, Class C, 10.88%, 10/22/14	566		587,419
Series 2012-1, Class A, 6.75%, 12/03/22 (d)	500		500,000
Series 2012-1, Class C, 9.13%, 10/01/15	450		468,000 4,383,473
<b>Auto Components 2.0%</b>			
Continental Rubber of America Corp., 4.50%, 9/15/19 (b)	150		151,500
Dana Holding Corp., 6.75%, 2/15/21	450		481,500
Delphi Corp., 6.13%, 5/15/21	170		187,850
Icahn Enterprises LP: 4.00%, 8/15/13 (b)(e)(f)	255		256,607
8.00%, 1/15/18	2,805		2,980,312
IDQ Holdings, Inc., 11.50%, 4/01/17 (b)	380		410,400
Jaguar Land Rover Plc, 8.25%, 3/15/20	GBP 482		849,460
Titan International, Inc., 7.88%, 10/01/17	USD 465		489,413 5,807,042
<b>Beverages 0.2%</b>			
Crown European Holdings SA: 7.13%, 8/15/18	EUR 138		197,424
7.13%, 8/15/18 (b)	198		283,260 480,684
	<b>Par</b>		<b>Value</b>

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(000)

**Corporate Bonds**

**Building Products 0.9%**

Building Materials Corp. of America (b):			
7.00%, 2/15/20	USD	530	\$ 577,700
6.75%, 5/01/21		790	865,050
Grohe Holding GmbH, 8.75%, 12/15/17 (e)	EUR	100	134,282
Momentive Performance Materials, Inc.,			
8.88%, 10/15/20 (b)	USD	350	347,375
USG Corp.,			
9.75%, 1/15/18		610	680,150
			2,604,557

**Capital Markets 0.9%**

E*Trade Financial Corp.:			
12.50%, 11/30/17		1,070	1,204,124
1.74%, 8/31/19			
(b)(f)(g)		244	217,160
Series A,			
1.74%, 8/31/19			
(f)(g)		7	6,230
KKR Group Finance Co. LLC, 6.38%, 9/29/20 (b)		650	761,175
Nuveen Investments, Inc., 9.13%, 10/15/17 (b)		473	469,453
			2,658,142

**Chemicals 3.5%**

Basell Finance Co. BV, 8.10%, 3/15/27 (b)		420	567,000
Celanese US Holdings LLC, 5.88%, 6/15/21		1,655	1,849,462
Ciech Group Financing AB, 9.50%, 11/30/19	EUR	160	216,674
Hexion US Finance Corp., 6.63%, 4/15/20	USD	60	59,850
Huntsman International LLC, 8.63%, 3/15/21		170	192,525
INEOS Finance Plc,			
7.50%, 5/01/20 (b)		370	382,025
Kinove German Bondco GmbH,			
10.00%, 6/15/18	EUR	342	482,595
Kraton Polymers LLC,			
6.75%, 3/01/19	USD	125	129,063
LyondellBasell Industries NV, 5.75%, 4/15/24		2,610	3,132,000
Nexo Solutions LLC,			
8.38%, 3/01/18		185	175,750
Nufarm Australia Ltd., 6.38%, 10/15/19 (b)		225	232,875
PolyOne Corp.,			
7.38%, 9/15/20		215	233,275
Rockwood Specialties Group, Inc.,			
4.63%, 10/15/20		385	393,663
TPC Group LLC,			
8.25%, 10/01/17		335	371,850
Tronox Finance LLC,			
6.38%, 8/15/20 (b)		1,760	1,733,600
			10,152,207

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Corporate Bonds</b>			
<b>Commercial Banks 0.7%</b>			
CIT Group, Inc.:			
5.25%, 3/15/18	USD 550		\$ 583,687
5.50%, 2/15/19 (b)	530		564,450
5.00%, 8/15/22	480		503,264
6.00%, 4/01/36	550		498,721
			2,150,122
<b>Commercial Services &amp; Supplies 2.2%</b>			
ADS Waste Holdings, Inc.,			
8.25%, 10/01/20 (b)	279		291,555
ARAMARK Holdings Corp.,			
8.63%, 5/01/16 (b)(h)	440		451,004
Aviation Capital Group Corp.,			
6.75%, 4/06/21 (b)	540		560,471
AWAS Aviation Capital Ltd.,			
7.00%, 10/17/16 (b)	102		107,407
Brickman Group Holdings, Inc.,			
9.13%, 11/01/18 (b)	25		25,625
Casella Waste Systems, Inc.,			
7.75%, 2/15/19	333		320,513
Catalent Pharma Solutions, Inc.,			
7.88%, 10/15/18 (b)	622		628,220
Clean Harbors, Inc.:			
5.25%, 8/01/20	528		542,520
5.13%, 6/01/21 (b)(d)	225		230,063
Covanta Holding Corp.,			
6.38%, 10/01/22	635		688,599
EC Finance Plc,			
9.75%, 8/01/17	EUR 503		706,511
HDTFS, Inc. (b):			
5.88%, 10/15/20	USD 90		92,925
6.25%, 10/15/22	265		274,606
Mead Products			
LLC/ACCO Brands Corp.,			
6.75%, 4/30/20 (b)	76		78,850
Mobile Mini, Inc.,			
7.88%, 12/01/20	365		396,481
RSC Equipment			
Rental, Inc.,			
8.25%, 2/01/21	468		524,160
Verisure Holding AB:			
8.75%, 9/01/18	EUR 184		254,856
8.75%, 12/01/18	100		127,454
West Corp.,			
8.63%, 10/01/18	USD 135		139,388
			6,441,208
<b>Communications Equipment 1.4%</b>			
Avaya, Inc.,			
9.75%, 11/01/15	780		618,150
Frontier Communications Corp.,			
6.25%, 1/15/13	900		904,500
Zayo Group LLC/Zayo Capital, Inc.:			
8.13%, 1/01/20	950		1,037,875
10.13%, 7/01/20	1,270		1,422,400

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			3,982,925
<b>Computers &amp; Peripherals 0.3%</b>			
EMC Corp.,			
1.75%, 12/01/13 (f)		135	211,950
NCR Corp.,			
5.00%, 7/15/22 (b)		280	283,500
		<b>Par</b>	
		<b>(000)</b>	<b>Value</b>
<b>Corporate Bonds</b>			
<b>Computers &amp; Peripherals (concluded)</b>			
SanDisk Corp.,			
1.50%, 8/15/17 (f)	USD	285	\$ 317,063
			812,513
<b>Construction &amp; Engineering 0.2%</b>			
Boart Longyear			
Management Property Ltd.,			
7.00%, 4/01/21 (b)		200	198,000
H&E Equipment Services, Inc.,			
7.00%, 9/01/22 (b)		330	348,150
			546,150
<b>Construction Materials 2.1%</b>			
Buzzi Unicem SpA,			
6.25%, 9/28/18	EUR	138	188,611
HD Supply, Inc. (b):			
8.13%, 4/15/19	USD	1,545	1,741,988
11.00%, 4/15/20		1,475	1,703,625
11.50%, 7/15/20		1,810	1,977,425
Xefin Lux SCA,			
8.00%, 6/01/18 (b)	EUR	254	341,902
			5,953,551
<b>Consumer Finance 0.2%</b>			
Credit Acceptance Corp.,			
9.13%, 2/01/17	USD	445	486,163
<b>Containers &amp; Packaging 1.6%</b>			
Ardagh Packaging Finance Plc:			
7.38%, 10/15/17	EUR	200	277,798
7.38%, 10/15/17 (b)		375	520,870
7.38%, 10/15/17 (b)	USD	200	217,750
9.13%, 10/15/20 (b)		395	424,625
9.13%, 10/15/20 (b)		409	441,720
Berry Plastics Corp.:			
4.26%, 9/15/14 (e)		300	300,000
8.25%, 11/15/15		115	120,175
9.75%, 1/15/21		185	210,437
Beverage Packaging			
Holdings Luxembourg II SA,			
8.00%, 12/15/16	EUR	706	922,780
GCL Holdings SCA,			
9.38%, 4/15/18 (b)		267	367,648
Graphic Packaging			
International, Inc.,			
7.88%, 10/01/18	USD	375	414,375
OI European			
Group BV,			
6.88%, 3/31/17	EUR	155	209,145
Tekni-Plex, Inc.,			
9.75%, 6/01/19 (b)	USD	180	194,400
			4,621,723
<b>Distributors 0.5%</b>			
VWR Funding, Inc.,			
7.25%, 9/15/17 (b)		1,374	1,418,655
<b>Diversified Consumer Services 2.0%</b>			
313 Group, Inc. (b):			
6.38%, 12/01/19		627	617,595





## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Corporate Bonds</b>			
<b>Diversified Consumer Services (concluded)</b>			
313 Group, Inc. (b) (concluded):			
8.75%, 12/01/20	USD 597		\$ 586,552
Laureate Education, Inc.,			
9.25%, 9/01/19 (b)	1,250		1,275,000
Service Corp. International,			
7.00%, 6/15/17	2,780		3,197,000
ServiceMaster Co.,			
8.00%, 2/15/20	190		193,325
			5,869,472
<b>Diversified Financial Services 5.2%</b>			
Aircastle Ltd.:			
6.75%, 4/15/17	470		497,025
6.25%, 12/01/19 (b)	326		330,890
Ally Financial, Inc.:			
7.50%, 12/31/13	280		296,450
8.00%, 11/01/31	2,608		3,312,160
Citigroup, Inc.,			
5.95% (e)(i)	250		254,375
CNG Holdings, Inc.,			
9.38%, 5/15/20 (b)	472		480,260
Co-Operative Group Ltd.,			
5.63%, 7/08/20 (j)	GBP 170		281,681
DPL, Inc.,			
7.25%, 10/15/21	USD 1,175		1,239,625
Gala Group Finance Plc,			
8.88%, 9/01/18	GBP 600		982,919
General Motors			
Financial Co., Inc.,			
6.75%, 6/01/18	USD 300		338,202
Lehman Brothers			
Holdings, Inc. (a)(k):			
5.38%, 10/17/12	EUR 150		45,883
4.75%, 1/16/14	760		232,476
1.00%, 2/05/14	1,600		484,221
1.00%, 9/22/18	USD 175		40,250
1.00%, 12/31/49	620		142,600
Leucadia National Corp.,			
8.13%, 9/15/15	825		932,250
Reynolds Group			
Issuer, Inc.:			
7.75%, 10/15/16	EUR 209		281,329
7.13%, 4/15/19	USD 245		264,600
9.00%, 4/15/19	215		221,450
7.88%, 8/15/19	255		280,500
9.88%, 8/15/19	580		614,800
5.75%, 10/15/20 (b)	2,085		2,131,912
Serta Simmons Holdings LLC,			
8.13%, 10/01/20 (b)	550		553,438
WMG Acquisition Corp.:			
11.50%, 10/01/18	416		470,080
6.00%, 1/15/21 (b)	331		339,275
			15,048,651
<b>Diversified Telecommunication Services 2.4%</b>			

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Broadview Networks Holdings, Inc., 10.50%, 11/15/17		518		517,500
Cequel Communications Escrow 1 LLC/Cequel Communications Escrow Capital Corp., 6.38%, 9/15/20 (b)		475		488,063
		<b>Par</b>		
		<b>(000)</b>		<b>Value</b>
<b>Corporate Bonds</b>				
<b>Diversified Telecommunication Services (concluded)</b>				
Consolidated Communications Finance Co., 10.88%, 6/01/20 (b)				
	USD	345	\$	370,875
ITC Deltacom, Inc., 10.50%, 4/01/16				
		252		269,640
Level 3 Communications, Inc., 8.88%, 6/01/19 (b)				
		315		330,750
Level 3 Financing, Inc.: 8.13%, 7/01/19				
		1,180		1,262,600
7.00%, 6/01/20 (b)				
		434		441,595
8.63%, 7/15/20				
		845		918,937
OTE Plc, 7.25%, 2/12/15 (j)				
	EUR	101		121,504
Telenet Finance V Luxembourg SCA: 6.25%, 8/15/22				
		150		204,934
6.75%, 8/15/24 tw telecom holdings, Inc., 5.38%, 10/01/22 (b)				
	USD	300		310,500
Windstream Corp.: 8.13%, 8/01/13				
		460		478,400
7.88%, 11/01/17				
		393		435,248
				6,792,067
<b>Electric Utilities 0.7%</b>				
Mirant Mid Atlantic Pass-Through Trust, Series B, 9.13%, 6/30/17				
		290		316,817
The Tokyo Electric Power Co., Inc., 4.50%, 3/24/14				
	EUR	1,300		1,707,040
				2,023,857
<b>Electrical Equipment 0.5%</b>				
Belden, Inc., 5.50%, 9/01/22 (b)				
	USD	370		374,625
General Cable Corp., 5.75%, 10/01/22 (b)				
		610		622,200
Techem GmbH, 6.13%, 10/01/19				
	EUR	300		412,600
				1,409,425
<b>Electronic Equipment, Instruments &amp; Components 0.3%</b>				
Jabil Circuit, Inc., 8.25%, 3/15/18				
	USD	235		276,125
Micron Technology, Inc., Series C, 2.38%, 5/01/32 (b)(f)				
		261		241,099
NXP BV/NXP Funding LLC, 9.75%, 8/01/18 (b)				
		200		231,500
				748,724
<b>Energy Equipment &amp; Services 3.7%</b>				
Atwood Oceanics, Inc., 6.50%, 2/01/20				
		140		149,450
Calfrac Holdings LP, 7.50%, 12/01/20 (b)				
		395		387,100

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Compagnie Générale de Géophysique, Veritas: 7.75%, 5/15/17	250	260,000
6.50%, 6/01/21 Forbes Energy Services Ltd., 9.00%, 6/15/19	1,255	1,317,750
	365	329,413

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Corporate Bonds</b>			
<b>Energy Equipment &amp; Services (concluded)</b>			
FTS International Services LLC/FTS International Services, Inc., 8.13%, 11/15/18 (b)	USD 1,182		\$ 1,217,460
Gulfmark Offshore, Inc., 6.38%, 3/15/22 (b) Hornbeck Offshore Services, Inc., 5.88%, 4/01/20	155		158,100
Key Energy Services, Inc., 6.75%, 3/01/21	315		322,875
MEG Energy Corp. (b): 6.50%, 3/15/21	450		451,125
6.38%, 1/30/23	1,205		1,257,719
Oil States International, Inc., 6.50%, 6/01/19	450		466,875
Peabody Energy Corp.: 6.25%, 11/15/21	320		340,000
7.88%, 11/01/26	1,405		1,457,687
Precision Drilling Corp.: 6.63%, 11/15/20	375		403,125
6.50%, 12/15/21	75		79,125
Seadrill Ltd., 5.63%, 9/15/17 (b)	295		308,275
	1,660		1,660,000
			10,566,079
<b>Food &amp; Staples Retailing 0.3%</b>			
Bakkavor Finance 2 Plc, 8.25%, 2/15/18	GBP 327		512,115
Rite Aid Corp., 9.25%, 3/15/20	USD 375		382,500
			894,615
<b>Food Products 0.4%</b>			
Darling International, Inc., 8.50%, 12/15/18	115		131,819
Del Monte Corp., 7.63%, 2/15/19	61		62,677
Post Holdings, Inc., 7.38%, 2/15/22 (b)	520		555,750
Smithfield Foods, Inc., 6.63%, 8/15/22	477		505,620
			1,255,866
<b>Health Care Equipment &amp; Supplies 2.1%</b>			
Biomet, Inc. (b): 6.50%, 8/01/20	1,523		1,591,535
6.50%, 10/01/20	2,161		2,139,390
DJO Finance LLC: 8.75%, 3/15/18 (b)	379		413,110
7.75%, 4/15/18	100		93,250
9.88%, 4/15/18 (b)	450		451,125
Fresenius Medical Care US Finance, Inc.,	208		233,480

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6.50%, 9/15/18 (b) Fresenius US Finance II, Inc., 9.00%, 7/15/15 (b) Kinetic Concepts, Inc./KCI USA, Inc., 12.50%, 11/01/19 (b)		540	622,350
		320	300,800
	<b>Par</b>		
	<b>(000)</b>		<b>Value</b>
<b>Corporate Bonds</b>			
<b>Health Care Equipment &amp; Supplies (concluded)</b>			
Teleflex, Inc., 6.88%, 6/01/19	USD	295	\$ 317,862 6,162,902
<b>Health Care Providers &amp; Services 7.8%</b>			
Aviv Healthcare Properties LP, 7.75%, 2/15/19		570	598,500
Care UK Health & Social Care Plc, 9.75%, 8/01/17	GBP	130	223,380
CHS/Community Health Systems, Inc.: 5.13%, 8/15/18	USD	785	826,212
7.13%, 7/15/20		456	482,220
ConvaTec Healthcare E SA, 7.38%, 12/15/17 (b)	EUR	494	693,870
Crown Newco 3 Plc: 7.00%, 2/15/18 (b)	GBP	364	612,342
7.00%, 2/15/18		100	168,226
DaVita HealthCare Partners, Inc., (FKA Davita, Inc.), 5.75%, 8/15/22	USD	893	933,185
HCA, Inc.: 8.50%, 4/15/19		135	151,538
6.50%, 2/15/20		2,045	2,295,512
7.88%, 2/15/20		95	106,756
7.25%, 9/15/20		2,410	2,687,150
5.88%, 3/15/22		220	239,250
4.75%, 5/01/23		730	737,300
Hologic, Inc., 6.25%, 8/01/20 (b)		1,897	2,015,562
IASIS Healthcare LLC, 8.38%, 5/15/19		1,538	1,453,410
INC Research LLC, 11.50%, 7/15/19 (b)		410	414,100
Omnicare, Inc., 7.75%, 6/01/20		1,005	1,111,781
PSS World Medical, Inc., 6.38%, 3/01/22		334	392,450
Symbion, Inc., 8.00%, 6/15/16		345	355,350
Tenet Healthcare Corp.: 10.00%, 5/01/18		839	956,460
6.25%, 11/01/18		330	363,000
8.88%, 7/01/19		2,624	2,938,880
6.75%, 2/01/20 (b)		525	532,219
4.75%, 6/01/20 (b)		761	766,708
Vanguard Health Holding Co. II LLC, 7.75%, 2/01/19 (b)		465	478,950 22,534,311
<b>Health Care Technology 1.0%</b>			
IMS Health, Inc. (b): 12.50%, 3/01/18		2,225	2,631,062
6.00%, 11/01/20		143	147,648 2,778,710
<b>Hotels, Restaurants &amp; Leisure 4.5%</b>			

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Affinity Gaming  
LLC/Affinity Gaming  
Finance Corp.,  
9.00%, 5/15/18 (b)

174

180,960

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Corporate Bonds</b>			
<b>Hotels, Restaurants &amp; Leisure (concluded)</b>			
Caesars Entertainment Operating Co., Inc.:			
11.25%, 6/01/17	USD 1,225		\$ 1,316,109
10.00%, 12/15/18	1,464		933,300
8.50%, 2/15/20 (b)	305		298,900
9.00%, 2/15/20 (b)	1,393		1,393,000
Carlson Wagonlit BV, 6.88%, 6/15/19 (b)	325		339,625
Cemex Finance LLC, 9.38%, 10/12/22 (b)	625		673,437
Cirsa Funding Luxembourg SA, 8.75%, 5/15/18	EUR 480		596,172
Diamond Resorts Corp., 12.00%, 8/15/18	USD 1,190		1,285,200
El Dorado Resorts LLC, 8.63%, 6/15/19 (b)	140		135,100
Enterprise Inns Plc, 6.50%, 12/06/18	GBP 324		477,154
Gategroup Finance Luxembourg SA, 6.75%, 3/01/19	EUR 265		360,155
Little Traverse Bay Bands of Odawa Indians, 9.00%, 8/31/20 (b)	USD 300		279,000
MGM Resorts International:			
10.38%, 5/15/14	190		212,325
4.25%, 4/15/15 (f)	1,080		1,099,575
11.13%, 11/15/17	1,400		1,536,500
MTR Gaming Group, Inc., 11.50%, 8/01/19	151		158,288
Station Casinos LLC, 3.66%, 6/18/18	672		569,520
Travelport LLC: 5.04%, 9/01/14 (e)	180		126,900
9.88%, 9/01/14	40		31,400
9.00%, 3/01/16	120		84,600
6.31%, 12/01/16 (b)(e)(h)	426		315,224
Tropicana Entertainment LLC, 9.63%, 12/15/14 (a)(k)	305		
Wynn Las Vegas LLC, 5.38%, 3/15/22	620		657,200
			13,059,644
<b>Household Durables 2.3%</b>			
Algeco Scotsman Global Finance Plc, 9.00%, 10/15/18	EUR 100		133,957
Beazer Homes USA, Inc., 6.63%, 4/15/18 (b)	USD 50		53,250
Jarden Corp., 7.50%, 1/15/20	EUR 305		432,368



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K Hovnanian Enterprises, Inc.:			
6.00%, 12/01/17 (f)	USD	150	171,405
7.25%, 10/15/20 (b)		950	1,018,875
Libbey Glass, Inc.,			
6.88%, 5/15/20 (b)		610	652,700
PH Holding LLC,			
9.75%, 12/31/17		345	338,100
	<b>Par</b>		
	<b>(000)</b>		<b>Value</b>
<b>Corporate Bonds</b>			
<b>Household Durables (concluded)</b>			
Pulte Group, Inc.,			
6.38%, 5/15/33	USD	190	\$ 186,200
The Ryland Group, Inc.,			
6.63%, 5/01/20		340	378,250
Spie BondCo 3 SCA,			
11.00%, 8/15/19	EUR	303	419,681
Standard Pacific Corp.:			
10.75%, 9/15/16	USD	1,290	1,580,250
8.38%, 1/15/21		970	1,110,650
William Lyon Homes, Inc.,			
8.50%, 11/15/20 (b)		300	304,500
			6,780,186
<b>Household Products 0.9%</b>			
Ontex IV SA:			
7.50%, 4/15/18	EUR	104	142,020
7.50%, 4/15/18 (b)		150	204,837
9.00%, 4/15/19		213	282,558
Spectrum Brands Escrow Corp. (b):			
6.38%, 11/15/20	USD	384	398,400
6.63%, 11/15/22		250	261,875
Spectrum Brands Holdings, Inc.,			
9.50%, 6/15/18		950	1,081,812
Spectrum Brands, Inc.,			
6.75%, 3/15/20 (b)		96	100,080
			2,471,582
<b>Independent Power Producers &amp; Energy Traders 3.1%</b>			
The AES Corp.,			
7.38%, 7/01/21		275	304,563
Calpine Corp. (b):			
7.25%, 10/15/17		162	173,340
7.50%, 2/15/21		90	99,450
7.88%, 1/15/23		401	447,115
Energy Future Holdings Corp.,			
10.00%, 1/15/20		1,440	1,530,000
Energy Future Intermediate Holding Co. LLC:			
6.88%, 8/15/17 (b)		755	773,875
10.00%, 12/01/20		2,391	2,665,965
GenOn REMA LLC:			
9.24%, 7/02/17		242	263,892
Series C			
9.68%, 7/02/26		305	326,350
Laredo Petroleum, Inc.:			
9.50%, 2/15/19		485	543,200
7.38%, 5/01/22		370	400,525
NRG Energy, Inc.,			
6.63%, 3/15/23 (b)		660	683,100
QEP Resources, Inc.:			
5.38%, 10/01/22		333	351,315
5.25%, 5/01/23		255	267,750
			8,830,440
<b>Industrial Conglomerates 2.1%</b>			

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Sequa Corp. (b):  
11.75%, 12/01/15

2,170

2,245,950

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Corporate Bonds</b>			
<b>Industrial Conglomerates (concluded)</b>			
Sequa Corp. (b) (concluded): 13.50%, 12/01/15	USD 3,664		\$ 3,810,571 6,056,521
<b>Insurance 0.9%</b>			
Alliant Holdings I, Inc., 11.00%, 5/01/15 (b)	1,570		1,620,044
CNO Financial Group, Inc., 6.38%, 10/01/20 (b)	225		235,125
Genworth Financial, Inc., 7.63%, 9/24/21	430		464,493
MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (b)	260		242,450
TMF Group Holding B.V., 9.88%, 12/01/19	EUR 100		131,843 2,693,955
<b>IT Services 3.0%</b>			
Ceridian Corp., 8.88%, 7/15/19 (b)	USD 1,480		1,583,600
Epicor Software Corp., 8.63%, 5/01/19	570		594,225
First Data Corp.: 7.38%, 6/15/19 (b)	1,580		1,623,450
8.88%, 8/15/20 (b)	535		585,825
6.75%, 11/01/20 (b)	1,485		1,496,137
8.25%, 1/15/21 (b)	236		235,410
12.63%, 1/15/21	1,129		1,188,272
SunGard Data Systems, Inc.: 7.38%, 11/15/18	550		586,438
6.63%, 11/01/19 (b)	805		821,100 8,714,457
<b>Machinery 1.5%</b>			
The Manitowoc Co., Inc., 5.88%, 10/15/22	475		475,000
SPX Corp., 6.88%, 9/01/17	175		196,000
Terex Corp., 6.00%, 5/15/21	535		555,062
UR Merger Sub Corp.: 5.75%, 7/15/18 (b)	257		276,918
7.38%, 5/15/20 (b)	440		480,700
7.63%, 4/15/22 (b)	1,997		2,211,677
6.13%, 6/15/23	190		195,225 4,390,582
<b>Media 10.2%</b>			
Affinion Group, Inc., 7.88%, 12/15/18	815		652,000
AMC Networks, Inc., 7.75%, 7/15/21	225		255,375
Cablevision Systems Corp., 5.88%, 9/15/22	490		480,200
CCO Holdings LLC: 6.50%, 4/30/21	308		332,255

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5.25%, 9/30/22		1,080	1,088,100
		Par	
		(000)	Value
<b>Corporate Bonds</b>			
<b>Media (continued)</b>			
Cengage Learning Acquisitions, Inc., 11.50%, 4/15/20 (b)	USD	1,065	\$ 883,950
Checkout Holding Corp., 13.99%, 11/15/15 (b)(g)		670	448,900
Cinemark USA, Inc., 8.63%, 6/15/19		220	243,100
Clear Channel Communications, Inc., 9.00%, 12/15/19 (b)		766	694,188
Clear Channel Worldwide Holdings, Inc.: 6.50%, 11/15/22 (b)		621	617,895
6.50%, 11/15/22 (b) Series B,		1,679	1,687,395
7.63%, 3/15/20		1,127	1,104,460
Cox Enterprises, Inc.: Loan Close 2, 12.00%, 8/15/18		688	687,919
Loan Close 3, 4.00%, 8/15/18		786	786,488
Shares Loan, 12.00%, 8/15/18		811	811,144
DISH DBS Corp., 5.88%, 7/15/22		1,010	1,081,963
Harron Communications LP, 9.13%, 4/01/20 (b)		320	348,000
Intelsat Jackson Holdings SA (b): 7.25%, 10/15/20		700	745,500
6.63%, 12/15/22		170	170,000
Intelsat Luxembourg SA: 11.25%, 2/04/17		620	657,200
11.50%, 2/04/17		1,200	1,273,500
Interactive Data Corp., 10.25%, 8/01/18		1,345	1,506,400
The Interpublic Group of Cos., Inc., 10.00%, 7/15/17		340	373,575
Kabel Deutschland Vertrieb und Service GmbH & Co. KG, 6.50%, 6/29/18 (b)	EUR	345	483,064
Lamar Media Corp., 5.88%, 2/01/22	USD	140	148,925
Live Nation Entertainment, Inc., 8.13%, 5/15/18 (b)		735	793,800
NAI Entertainment Holdings LLC, 8.25%, 12/15/17 (b)		558	616,590
Nara Cable Funding Ltd., 8.88%, 12/01/18	EUR	200	252,307
Nielsen Finance LLC: 11.63%, 2/01/14	USD	117	130,309
7.75%, 10/15/18		1,513	1,686,995
Odeon & UCI Finco Plc, 9.00%, 8/01/18 (b)	GBP	207	340,765
ProQuest LLC, 9.00%, 10/15/18 (b)	USD	500	460,000
		850	425

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ProtoStar I Ltd.,  
18.00%, 10/15/13 (a)(b)(k)  
Truven Health Analytics, Inc.,  
10.63%, 6/01/20 (b)

510

545,700

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par	Value
	(000)	
<b>Corporate Bonds</b>		
<b>Media (concluded)</b>		
Unitymedia GmbH: 9.63%, 12/01/19	EUR 168	\$ 244,187
9.63%, 12/01/19 (b)	570	828,492
9.50%, 3/15/21	320	476,563
Unitymedia Hessen GmbH & Co. KG: 8.13%, 12/01/17 (b)	USD 666	722,610
7.50%, 3/15/19	EUR 794	1,132,132
5.50%, 1/15/23 (b)(d)	USD 520	520,000
Univision Communications, Inc., 6.75%, 9/15/22 (b)	120	121,200
UPC Holding BV, 9.88%, 4/15/18 (b)	400	447,500
UPCB Finance II Ltd.: 6.38%, 7/01/20	EUR 300	406,747
6.38%, 7/01/20 (b)	822	1,114,488
WaveDivision Escrow LLC/WaveDivision Escrow Corp., 8.13%, 9/01/20 (b)	USD 300	307,500
Ziggo Bond Co. BV, 8.00%, 5/15/18 (b)	EUR 388	555,327
		29,265,133
<b>Metals &amp; Mining 4.1%</b>		
ArcelorMittal: 9.50%, 2/15/15	USD 315	350,864
4.25%, 8/05/15	485	489,948
4.25%, 3/01/16	125	125,545
Eco-Bat Finance Plc, 7.75%, 2/15/17	EUR 460	613,210
FMG Resources August 2006 Property Ltd. (b): 7.00%, 11/01/15	USD 205	209,100
6.38%, 2/01/16	438	441,184
6.88%, 4/01/22	75	73,125
Global Brass and Copper, Inc., 9.50%, 6/01/19 (b)	300	322,500
GoldCorp, Inc., 2.00%, 8/01/14 (f)	1,060	1,199,788
Kaiser Aluminum Corp., 8.25%, 6/01/20	225	246,375
New Gold, Inc. (b): 7.00%, 4/15/20	150	159,375
6.25%, 11/15/22	300	306,750
New World Resources NV, 7.88%, 5/01/18	EUR 210	279,261
Newmont Mining Corp., Series A, 1.25%, 7/15/14 (f)	USD 1,475	1,783,828
Novelis, Inc., 8.75%, 12/15/20	3,065	3,432,800

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Perstorp Holding AB, 8.75%, 5/15/17 (b)	205	206,025
Schmolz + Bickenbach Luxembourg SA, 9.88%, 5/15/19	EUR 315	334,089
Steel Dynamics, Inc., 6.38%, 8/15/22 (b)	USD 245	256,025
	<b>Par</b>	
	<b>(000)</b>	<b>Value</b>
<b>Corporate Bonds</b>		
<b>Metals &amp; Mining (concluded)</b>		
Taseko Mines Ltd., 7.75%, 4/15/19	USD 420	\$ 399,000
Vedanta Resources Plc, 8.25%, 6/07/21 (b)	270	291,600
Walter Energy, Inc., 9.88%, 12/15/20 (b)	265	275,600
		11,795,992
<b>Multiline Retail 0.4%</b>		
Dollar General Corp., 4.13%, 7/15/17	792	831,600
Dufry Finance SCA, 5.50%, 10/15/20 (b)	403	414,083
		1,245,683
<b>Oil, Gas &amp; Consumable Fuels 9.9%</b>		
Access Midstream Partners LP, 6.13%, 7/15/22	275	291,500
Alpha Appalachia Holdings, Inc., 3.25%, 8/01/15 (f)	803	759,337
Aurora USA Oil & Gas, Inc., 9.88%, 2/15/17 (b)	680	720,800
Berry Petroleum Co., 6.38%, 9/15/22	410	422,300
BreitBurn Energy Partners LP, 7.88%, 4/15/22 (b)	255	262,013
Carrizo Oil & Gas, Inc., 7.50%, 9/15/20	240	243,600
CCS, Inc., 11.00%, 11/15/15 (b)	570	577,125
Chaparral Energy, Inc., 7.63%, 11/15/22	220	226,050
Chesapeake Energy Corp.: 7.25%, 12/15/18	15	16,125
6.63%, 8/15/20	180	188,550
6.88%, 11/15/20	175	184,625
6.13%, 2/15/21	595	602,437
Concho Resources, Inc.: 7.00%, 1/15/21	160	176,400
6.50%, 1/15/22	110	119,900
5.50%, 10/01/22	475	490,437
Continental Resources, Inc., 7.13%, 4/01/21	370	417,175
Copano Energy LLC, 7.13%, 4/01/21	240	252,900
Crosstex Energy LP, 7.13%, 6/01/22 (b)	150	153,000
Crown Oil Partners IV LP, 15.00%, 3/07/15	603	636,508
CVR Refining LLC/Coffeyville Finance, Inc., 6.50%, 11/01/22 (b)	385	379,225
Denbury Resources, Inc., 8.25%, 2/15/20	1,167	1,318,710
Energy XXI Gulf Coast, Inc.:		

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9.25%, 12/15/17  
7.75%, 6/15/19

555  
900

625,762  
967,500

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par (000)	Value
<b>Corporate Bonds</b>		
<b>Oil, Gas &amp; Consumable Fuels (continued)</b>		
EP Energy LLC/Everest Acquisition Finance, Inc.: 6.88%, 5/01/19	USD 345	\$ 373,463
7.75%, 9/01/22	215	223,063
EV Energy Partners LP, 8.00%, 4/15/19	150	157,500
Halcon Resources Corp., 8.88%, 5/15/21 (b)	230	238,050
Hilcorp Energy I LP, 7.63%, 4/15/21 (b)	260	281,450
Holly Energy Partners LP, 6.50%, 3/01/20 (b)	155	162,750
Kodiak Oil & Gas Corp., 8.13%, 12/01/19	350	381,500
Linn Energy LLC: 6.50%, 5/15/19	95	96,425
6.25%, 11/01/19 (b)	1,305	1,309,894
8.63%, 4/15/20	225	245,813
7.75%, 2/01/21	200	211,000
MarkWest Energy Partners LP, 5.50%, 2/15/23	225	236,813
Newfield Exploration Co., 6.88%, 2/01/20	780	839,475
Northern Oil and Gas, Inc., 8.00%, 6/01/20	310	319,300
Oasis Petroleum, Inc.: 7.25%, 2/01/19	265	282,225
6.50%, 11/01/21	290	305,225
Offshore Group Investments Ltd., 11.50%, 8/01/15	692	761,200
OGX Petroleo e Gas Participacoes SA (b): 8.50%, 6/01/18	562	488,940
8.38%, 4/01/22	300	244,500
PBF Holding Co. LLC, 8.25%, 2/15/20 (b)	295	309,750
PDC Energy, Inc., 7.75%, 10/15/22 (b)	210	212,100
PetroBakken Energy Ltd., 8.63%, 2/01/20 (b)	1,195	1,195,000
Petroleum Geo-Services ASA, 7.38%, 12/15/18 (b)	575	603,750
Plains Exploration & Production Co., 6.88%, 2/15/23	1,155	1,189,650
Range Resources Corp.: 8.00%, 5/15/19	345	379,500
5.75%, 6/01/21	985	1,046,562

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5.00%, 8/15/22		435	453,487
Regency Energy Partners LP, 5.50%, 4/15/23		370	388,500
Sabine Pass Liquified Natural Gas LP: 7.50%, 11/30/16		1,520	1,641,600
6.50%, 11/01/20 (b)		325	325,000
SandRidge Energy, Inc.: 7.50%, 3/15/21		940	979,950
		<b>Par</b>	
		<b>(000)</b>	<b>Value</b>
<b>Corporate Bonds</b>			
<b>Oil, Gas &amp; Consumable Fuels (concluded)</b>			
SandRidge Energy, Inc. (concluded):			
8.13%, 10/15/22	USD	255	\$ 272,850
7.50%, 2/15/23		545	566,800
SESI LLC:			
6.38%, 5/01/19		325	346,125
7.13%, 12/15/21		235	261,438
SM Energy Co.:			
6.63%, 2/15/19		130	137,475
6.50%, 11/15/21		265	279,575
6.50%, 1/01/23		390	411,450
Tesoro Logistics LP/Tesoro Logistics Finance Corp.,			
5.88%, 10/01/20 (b)		155	161,200
Vanguard Natural Resources,			
7.88%, 4/01/20		270	276,075
			28,628,402
<b>Paper &amp; Forest Products 1.2%</b>			
Ainsworth Lumber Co. Ltd.,			
7.50%, 12/15/17 (b)		355	365,650
Boise Paper Holdings LLC:			
9.00%, 11/01/17		60	65,400
8.00%, 4/01/20		125	135,938
Clearwater Paper Corp.:			
10.63%, 6/15/16		390	428,025
7.13%, 11/01/18		585	634,725
Longview Fibre Paper & Packaging, Inc.,			
8.00%, 6/01/16 (b)		345	361,387
NewPage Corp.,			
11.38%, 12/31/14 (a)(k)		2,070	993,600
Sappi Papier Holding GmbH (b):			
8.38%, 6/15/19		200	212,000
6.63%, 4/15/21		140	134,400
			3,331,125
<b>Pharmaceuticals 0.9%</b>			
Capsugel Finance Co. SCA:			
9.88%, 8/01/19	EUR	100	146,962
9.88%, 8/01/19 (b)		200	293,924
Jaguar Holding Co. II/Jaguar Merger Sub, Inc.,			
9.50%, 12/01/19 (b)	USD	185	208,125
Mylan, Inc.,			
6.00%, 11/15/18 (b)		120	132,300
Valeant Pharmaceuticals International (b):			
6.50%, 7/15/16		434	457,870
6.88%, 12/01/18		270	291,938
6.38%, 10/15/20		405	430,313
6.75%, 8/15/21		490	525,525
			2,486,957
<b>Professional Services 0.0%</b>			

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FTI Consulting, Inc.,  
6.75%, 10/01/20

43

45,688

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Corporate Bonds</b>			
<b>Real Estate Investment Trusts (REITs) 0.6%</b>			
Felcor Lodging LP, 6.75%, 6/01/19	USD 1,023		\$ 1,076,707
The Rouse Co. LP, 6.75%, 11/09/15	520		546,650
			1,623,357
<b>Real Estate Management &amp; Development 2.5%</b>			
CBRE Services, Inc., 6.63%, 10/15/20	335		365,988
Crescent Resources LLC/Crescent Ventures, Inc., 10.25%, 8/15/17 (b)	710		738,400
Forest City Enterprises, Inc., 7.63%, 6/01/15	426		427,065
IVG Immobilien AG, 8.00% (a)(e)(i)(k)	EUR 300		202,886
Mattamy Group Corp., 6.50%, 11/15/20 (b)	USD 275		275,000
Realogy Corp.: 11.50%, 4/15/17	400		433,000
12.00%, 4/15/17	100		108,000
7.88%, 2/15/19 (b)	2,065		2,188,900
7.63%, 1/15/20 (b)	505		563,075
9.00%, 1/15/20 (b)	335		371,850
Shea Homes LP, 8.63%, 5/15/19	1,250		1,375,000
The Unique Pub Finance Co. Plc, Series A3, 6.54%, 3/30/21	GBP 100		151,403
			7,200,567
<b>Road &amp; Rail 0.8%</b>			
The Hertz Corp.: 7.50%, 10/15/18	USD 550		602,250
6.75%, 4/15/19 (b)	290		313,200
7.38%, 1/15/21	415		451,312
Hertz Holdings Netherlands BV: 8.50%, 7/31/15	EUR 88		124,177
8.50%, 7/31/15 (b)	546		770,459
			2,261,398
<b>Semiconductors &amp; Semiconductor Equipment 0.2%</b>			
Spansion LLC, 7.88%, 11/15/17	USD 580		582,900
<b>Software 0.9%</b>			
Infor US, Inc., 9.38%, 4/01/19	1,530		1,705,950
Nuance Communications, Inc., 5.38%, 8/15/20 (b)	500		515,000
Sophia LP, 9.75%, 1/15/19 (b)	442		470,730
			2,691,680
<b>Specialty Retail 3.1%</b>			
	365		406,063

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Asbury Automotive Group, Inc., 8.38%, 11/15/20			
Claire's Stores, Inc., 9.00%, 3/15/19 (b)		869	924,399
House of Fraser Funding Plc: 8.88%, 8/15/18 (b)	GBP	285	461,179
8.88%, 8/15/18		221	357,616
		<b>Par</b>	
		<b>(000)</b>	<b>Value</b>
<b>Corporate Bonds</b>			
<b>Specialty Retail (concluded)</b>			
Limited Brands, Inc.: 8.50%, 6/15/19	USD	785	\$ 957,700
5.63%, 2/15/22		160	172,800
Michaels Stores, Inc., 7.75%, 11/01/18 (b)		234	253,598
Party City Holdings, Inc., 8.88%, 8/01/20 (b)		1,013	1,073,780
Penske Automotive Group, Inc., 5.75%, 10/01/22 (b)		540	549,450
Phones4u Finance Plc, 9.50%, 4/01/18 (b)	GBP	400	660,086
QVC, Inc. (b): 7.13%, 4/15/17	USD	230	242,124
7.50%, 10/01/19		625	688,339
7.38%, 10/15/20		290	321,493
5.13%, 7/02/22		429	454,589
Sally Holdings LLC: 6.88%, 11/15/19		545	606,312
5.75%, 6/01/22		512	554,240
Sonic Automotive, Inc., 9.00%, 3/15/18		370	406,537
			9,090,305
<b>Textiles, Apparel &amp; Luxury Goods 0.2%</b>			
Levi Strauss & Co., 6.88%, 5/01/22		440	461,450
<b>Trading Companies &amp; Distributors 0.8%</b>			
Air Lease Corp., 4.50%, 1/15/16 (b)		590	594,425
Ashtead Capital, Inc., 6.50%, 7/15/22 (b)		490	521,850
Doric Nimrod Air Finance Alpha Ltd., Series 2012-1 (b): Class A, 5.13%, 11/30/24		635	658,812
Class B, 6.50%, 5/30/21		575	587,765
			2,362,852
<b>Transportation Infrastructure 0.2%</b>			
Aguila 3 SA, 7.88%, 1/31/18 (b)		431	456,860
<b>Wireless Telecommunication Services 3.7%</b>			
Cricket Communications, Inc.: 7.75%, 5/15/16		110	116,325
7.75%, 10/15/20		215	221,988
Crown Castle International Corp., 5.25%, 1/15/23 (b)		640	668,800
Digicel Group Ltd. (b): 8.25%, 9/01/17		1,180	1,265,550
8.25%, 9/30/20		945	1,004,062
MetroPCS Wireless, Inc., 6.63%, 11/15/20		760	803,700
NII Capital Corp., 7.63%, 4/01/21		341	235,290
Sprint Capital Corp., 6.88%, 11/15/28		1,702	1,753,060

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par (000)	Value
<b>Corporate Bonds</b>		
<b>Wireless Telecommunication Services (concluded)</b>		
Sprint Nextel Corp. (b):		
9.00%, 11/15/18	USD 2,280	\$ 2,810,100
7.00%, 3/01/20	1,495	1,730,462
<b>Total Corporate Bonds</b>		<b>10,609,337</b>
		<b>299,253,866</b>
<b>Floating Rate Loan Interests (e)</b>		
<b>Airlines 0.1%</b>		
Delta Air Lines, Inc., Term Loan B, 5.50%, 4/20/17	395	396,628
<b>Auto Components 0.8%</b>		
Federal-Mogul Corp., Term Loan B, 2.15%, 12/29/14	943	874,911
Schaeffler AG:		
Term Loan B, 4.11%, 1/27/15	EUR 745	949,532
Term Loan C2, 6.00%, 1/27/17	USD 395	399,815
		2,224,258
<b>Building Products 0.1%</b>		
Wilsonart International Holdings LLC, Term Loan B, 5.50%, 10/19/19	425	427,125
<b>Capital Markets 0.6%</b>		
American Capital Holdings, Term Loan, 5.50%, 8/22/16	941	952,762
Nuveen Investments, Inc.:		
Incremental Term Loan, 7.25%, 5/13/17	480	482,400
Second Lien Term Loan, 8.25%, 2/28/19	415	421,225
		1,856,387
<b>Chemicals 0.7%</b>		
ADS Waste Holdings, Inc., Term Loan B, 5.25%, 10/09/19	450	454,725
INEOS US Finance LLC, 6 Year Term Loan, 6.50%, 5/04/18	1,144	1,157,295
Styron Sarl LLC, Term Loan B, 8.00%, 8/02/17	393	375,931
		1,987,951
<b>Commercial Services &amp; Supplies 0.3%</b>		
AWAS Finance Luxembourg Sarl, Term Loan B, 5.25%, 6/10/16	441	446,585
Delos Aircraft, Inc., Term Loan B2, 4.75%, 4/12/16	550	555,846
		1,002,431
	<b>Par</b>	
	<b>(000)</b>	<b>Value</b>
<b>Floating Rate Loan Interests (e)</b>		
<b>Communications Equipment 0.7%</b>		
Avaya, Inc., Term Loan B1, 3.06%, 10/24/14	USD 253	\$ 238,306
Zayo Group LLC, Term Loan B, 5.25%, 7/02/19	1,819	1,829,925
		2,068,231
<b>Construction &amp; Engineering 0.7%</b>		
Safeway Services LLC, Mezzanine Loan, 15.63%, 12/16/17	2,000	2,000,000
<b>Construction Materials 0.4%</b>		
HD Supply, Inc., Senior Debt B, 7.25%, 10/12/17	1,112	1,141,063
<b>Consumer Finance 2.2%</b>		
FMG America Finance, Inc., Term Loan, 5.25%, 10/18/17	2,280	2,285,700
Springleaf Financial Funding Co., Term Loan, 5.50%, 5/10/17	4,001	3,951,988
		6,237,688
<b>Diversified Consumer Services 0.1%</b>		
Laureate Education, Inc., Extended Term Loan, 5.25%, 6/18/18	144	142,600
<b>Diversified Financial Services 0.5%</b>		
Residential Capital LLC:		

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DIP Term Loan A1, 5.00%, 11/18/13	1,255	1,255,527
DIP Term Loan A2, 6.75%, 11/18/13	185	185,925
		1,441,452
<b>Diversified Telecommunication Services 0.5%</b>		
Level 3 Financing, Inc.:		
2016 Term Loan B, 4.75%, 2/01/16	330	330,000
2019 Term Loan B, 5.25%, 8/01/19	270	271,687
Term Loan, 4.75%, 8/01/19	850	854,250
		1,455,937
<b>Energy Equipment &amp; Services 1.7%</b>		
Dynegy Midwest Generation LLC, Coal Co. Term Loan, 9.25%, 8/04/16	1,727	1,782,087
Dynegy Power LLC, Gas Co. Term Loan, 9.25%, 8/04/16	2,787	2,901,008
Tervita Corp., Incremental Term Loan, 6.50%, 11/14/14	273	272,711
		4,955,806
<b>Food &amp; Staples Retailing 0.0%</b>		
US Foods, Inc. (FKA U.S. Foodservice, Inc.), Extended Term Loan B, 5.75%, 3/31/17	74	72,776

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Floating Rate Loan Interests (e)</b>			
<b>Food Products 0.1%</b>			
Advance Pierre Foods, Inc., Second Lien Term Loan, 5.75%, 7/10/17	USD 215		\$ 216,989
<b>Health Care Equipment &amp; Supplies 0.5%</b>			
Bausch & Lomb, Inc., Term Loan B, 5.25%, 5/17/19	384		388,610
Hupah Finance, Inc., Term Loan B, 6.25% - 7.25%, 1/21/19	761		767,835
LHP Hospital Group, Inc., Term Loan, 9.00%, 7/03/18	284		286,420
			1,442,865
<b>Health Care Providers &amp; Services 0.5%</b>			
Genesis Healthcare Corp., Term Loan B, 10.75%, 9/25/17	190		182,875
Harden Healthcare LLC:			
Add on Term Loan A, 7.75%, 3/02/15	374		362,247
Term Loan A, 8.50%, 3/02/15	354		347,292
inVentiv Health, Inc., Combined Term Loan, 6.50%, 8/04/16	682		642,566
			1,534,980
<b>Hotels, Restaurants &amp; Leisure 2.4%</b>			
Caesars Entertainment Operating Co., Inc.:			
Extended Term Loan B6, 5.46%, 1/26/18	139		124,531
Incremental Term Loan B3, 3.22%, 1/28/15	75		72,656
Incremental Term Loan B4, 9.50%, 10/31/16	341		347,930
Term Loan B1, 3.21%, 1/28/15	540		523,125
Term Loan B2, 3.21%, 1/28/15	430		416,563
Harrah s Property Co., Mezzanine Term Loan, 3.20%, 2/13/13	4,448		3,734,788
Kronos, Inc., Second Lien Term Loan, 9.75%, 4/24/20	515		515,000
Sabre, Inc., Non-Extended Initial Term Loan, 2.21%, 9/30/14	24		23,470
Station Casinos, Inc., Term Loan B, 5.50%, 9/07/19	1,035		1,037,587
Travelport LLC:			
Extended Tranche A Term Loan, 6.31%, 12/01/16	196		58,844
Extended Tranche B Term Loan, 13.81%, 12/01/16	645		48,341
			6,902,835
	<b>Par</b>		
	<b>(000)</b>		<b>Value</b>
<b>Floating Rate Loan Interests (e)</b>			
<b>Industrial Conglomerates 0.1%</b>			
Sequa Corp.:			
Incremental Term Loan, 6.25%, 12/03/14	USD 178		\$ 177,781
Term Loan, 3.46% - 3.61%, 12/03/14	121		120,925
			298,706
<b>IT Services 0.3%</b>			
Ceridian Corp., Extended Term Loan, 5.96%, 5/09/17	68		68,074
First Data Corp., 2018 Term Loan B, 4.21%, 3/23/18	785		746,927
			815,001
<b>Leisure Equipment &amp; Products 0.2%</b>			
Eastman Kodak Co., DIP Term Loan B, 8.50%, 7/19/13	650		648,824
<b>Machinery 0.2%</b>			
Rexnord Corp., Term Loan B, 4.50%, 4/02/18	591		595,215
<b>Media 3.6%</b>			
Affinion Group, Inc., Term Loan B, 6.50%, 7/16/15	39		36,347
Cengage Learning Acquisitions, Inc.:			
Non-Extended Term Loan, 2.71%, 7/03/14	322		245,568
Tranche 1 Incremental, 7.50%, 7/03/14	1,676		1,355,162
Cequel Communications LLC, Term Loan B, 4.00%, 2/14/19	288		288,341
Clear Channel Communications, Inc.:			
Term Loan B, 3.86%, 1/29/16	1,278		1,036,757

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Term Loan C, 3.86%, 1/29/16	428	338,743
EMI Music Publishing Ltd., Term Loan B, 5.50%, 6/29/18	434	438,035
Getty Images, Inc., Term Loan B, 4.75%, 10/18/19	412	413,443
Intelsat Jackson Holdings SA, Tranche B Term Loan, 4.50%, 4/02/18	5,460	5,473,159
Interactive Data Corp., Term Loan B, 4.50%, 2/12/18	409	411,110
Univision Communications, Inc., Extended Term Loan, 4.46%, 3/31/17	268	261,413
		10,298,078
<b>Metals &amp; Mining 0.2%</b>		
Constellium Holdco BV, Term Loan B, 9.25%, 5/25/18	429	428,925

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Par		Value
	(000)		
<b>Floating Rate Loan Interests (e)</b>			
<b>Oil, Gas &amp; Consumable Fuels 1.2%</b>			
Chesapeake Energy Corp., Unsecured Term Loan, 5.75%, 12/01/17	USD 1,440		\$ 1,414,800
Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15	921		920,626
Samson Investment Co., Second Lien Term Loan, 6.00%, 9/25/18	235		236,469
Vantage Drilling Co., Term Loan, 6.25%, 10/26/17	985		970,225
			3,542,120
<b>Paper &amp; Forest Products 0.5%</b>			
NewPage Corp., DIP Term Loan, 8.75%, 3/07/13	600		599,628
Verso Paper Finance Holdings LLC, Term Loan, 6.56% - 7.31%, 2/01/13 (h)	1,562		780,930
			1,380,558
<b>Pharmaceuticals 0.5%</b>			
Aptalis Pharma, Inc., Term Loan B, 5.50%, 2/10/17	983		982,196
Pharmaceutical Product Development, Inc., Term Loan B, 6.25%, 12/05/18	312		316,868
			1,299,064
<b>Professional Services 0.1%</b>			
Truven Health Analytics, Inc., Term Loan B, 5.75%, 6/01/19	374		373,969
<b>Real Estate Investment Trusts (REITs) 0.3%</b>			
iStar Financial, Inc., Term Loan, 5.75%, 9/28/17	789		789,411
<b>Real Estate Management &amp; Development 0.4%</b>			
Realogy Corp.:			
Extended Letter of Credit Loan, 4.46%, 10/10/16	103		103,110
Extended Term Loan, 4.46%, 10/10/16	737		735,137
Stockbridge SBE Holdings LLC, Term Loan B, 13.00%, 5/02/17	185		182,688
			1,020,935
<b>Road &amp; Rail 0.1%</b>			
Genesee & Wyoming, Inc., Term Loan A, 10.75%, 9/29/17	300		299,250
<b>Software 0.4%</b>			
Infor US, Inc., Term Loan B2, 5.25%, 4/05/18	1,232		1,243,308
<b>Textiles, Apparel &amp; Luxury Goods 0.4%</b>			
Ascend Performance Materials LLC, Term Loan B, 6.75%, 4/10/18	1,134		1,111,614
	<b>Par</b>		
	<b>(000)</b>		<b>Value</b>
<b>Floating Rate Loan Interests (e)</b>			
<b>Wireless Telecommunication Services 1.2%</b>			
Vodafone Americas Finance 2, Inc. (h):			
Term Loan, 6.88%, 8/11/15	USD 1,938		\$ 1,976,937
Term Loan B, 6.25%, 7/11/16	1,341		1,377,492
			3,354,429
<b>Total Floating Rate Loan Interests 22.6%</b>			<b>65,007,409</b>

	Beneficial Interest		Value
	(000)		
<b>Other Interests (l)</b>			
<b>Auto Components 0.0%</b>			
Lear Corp. Escrow	460		4,887
<b>Chemicals 0.0%</b>			
Wellman Holdings, Inc., Litigation Trust Certificate	2,830		28
<b>Hotels, Restaurants &amp; Leisure 0.0%</b>			

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Buffets, Inc. (a)	575	6
<b>Media 0.0%</b>		
Adelphia Escrow (a)	750	8
Adelphia Recovery Trust (a)	941	94
		102
<b>Total Other Interests 0.0%</b>		5,023

**Preferred Securities**

	<b>Par</b>	
	<b>(000)</b>	
<b>Capital Trusts 0.2%</b>		
<b>Insurance 0.2%</b>		
Genworth Financial, Inc., 6.15%, 11/15/66 (e)	865	581,712

	<b>Shares</b>	
<b>Preferred Stocks</b>		
<b>Auto Components 0.7%</b>		
Dana Holding Corp., 4.00% (b)(f)	17,830	2,156,316
<b>Diversified Financial Services 1.3%</b>		
Ally Financial, Inc., 7.00% (b)	3,733	3,634,542

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

(Percentages shown are based on Net Assets)

	Shares	Value
<b>Preferred Securities</b>		
<b>Preferred Stocks</b>		
<b>Real Estate Investment Trusts (REITs) 0.1%</b>		
MPG Office Trust, Inc., Series A, 7.63% (a)	8,994	\$ 179,700
<b>Thriffs &amp; Mortgage Finance 0.1%</b>		
Fannie Mae, Series O, 7.00% (a)	30,000	81,000
Freddie Mac, Series Z, 8.38% (a)	75,961	123,057
		204,057
<b>Total Preferred Stocks 2.2%</b>		6,174,615
<b>Trust Preferreds 1.0%</b>		
<b>Diversified Financial Services 1.0%</b>		
GMAC Capital Trust I, Series 2, 8.13%, 2/15/40 (b)	115,590	2,999,380
<b>Total Preferred Securities 3.4%</b>		9,755,707
<b>Warrants (m)</b>		
<b>Containers &amp; Packaging 0.0%</b>		
MDP Acquisitions Plc (Expires 10/10/13)	700	42,587
<b>Health Care Providers &amp; Services 0.0%</b>		
HealthSouth Corp. (Expires 1/16/14)	32,042	1
<b>Media 0.0%</b>		
New Vision Holdings LLC, (Expires 9/30/14)	22	67,341
<b>Software 0.0%</b>		
Bankruptcy Management Solutions, Inc. (Expires 9/28/17)	334	
HMH Holdings/EduMedia (Issued/Exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 6/22/19, Strike Price \$42.27)	1,164	
<b>Total Warrants 0.0%</b>		109,929
<b>Total Long-Term Investments</b>		
(Cost \$389,290,461) 137.7%		396,901,266
	<b>Shares</b>	<b>Value</b>
<b>Short-Term Securities</b>		
BlackRock Liquidity Funds, TempFund, Institutional Class, 0.15% (n)(o)	1,690,937	\$ 1,690,937
<b>Total Short-Term Securities</b>		
(Cost \$1,690,937) 0.6%		1,690,937
<b>Contracts</b>		
<b>Options Purchased</b>		
<b>Over-the-Counter Call Options 0.0%</b>		
Marsico Parent Superholdco LLC, Strike Price USD 942.86, Expires 12/21/19, Broker Goldman Sachs Group, Inc.	19	
<b>Total Options Purchased</b>		
(Cost \$18,578) 0.0%		
<b>Total Investments</b>		
(Cost - \$390,999,976*) 138.3%		398,592,203
<b>Liabilities in Excess of Other Assets (38.3)%</b>		(110,429,601)
<b>Net Assets 100.0%</b>		\$ 288,162,602

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\* As of November 30, 2012, gross unrealized appreciation and gross unrealized depreciation based on cost for federal income tax purposes were as follows:

Tax cost	\$	391,959,665
Gross unrealized appreciation	\$	20,894,964
Gross unrealized depreciation		(14,262,342)
Net unrealized appreciation	\$	6,632,622

(a) Non-income producing security.

(b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(c) All or a portion of security has been pledged as collateral in connection with swaps.

(d) When-issued security. Unsettled when-issued transactions were as follows:

	<b>Value</b>	<b>Unrealized Appreciation</b>
<b>Counterparty</b>		
Citigroup, Inc.	\$ 500,000	
Goldman Sachs & Co.	\$ 230,063	\$ 5,063
JPMorgan Chase & Co.	\$ 520,000	

(e) Variable rate security. Rate shown is as of report date.

(f) Convertible security.

(g) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(h) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares.

(i) Security is perpetual in nature and has no stated maturity date.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

- (j) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (k) Issuer filed for bankruptcy and/or is in default of interest payments.
- (l) Other interests represent beneficial interests in liquidation trusts and other reorganization or private entities.
- (m) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date of the warrants, if any.
- (n) Represents the current yield as of report date.
- (o) Investments in issuers considered to be an affiliate of the Fund during the period ended November 30, 2012, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

	Shares		Shares	
	Held at February 29, 2012	Net Activity	Held at November 30, 2012	Income
<b>Affiliate</b>				
BlackRock Liquidity Funds, TempFund, Institutional Class		1,690,937	1,690,937	\$ 694

**Portfolio Abbreviations**

To simplify the listings of portfolio holdings in the Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

AUD	Australian Dollar
CAD	Canadian Dollar
DIP	Debtor-In-Possession
EBITDA	Earnings Before Interest Taxes Depreciation and Amortization
EUR	Euro
FKA	Formerly Known As
GBP	British Pound
USD	US Dollar

## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

Financial futures contracts sold as of November 30, 2012 were as follows:

Contracts	Issue	Exchange	Expiration	Notional Value	Unrealized Depreciation
59	S&P 500 E-Mini Index	Chicago Mercantile	December 2012	\$ 4,172,480	\$ (53,372)

Foreign currency exchange contracts as of November 30, 2012 were as follows:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
EUR 365,000	USD 472,278	Royal Bank of Scotland Group Plc	12/21/12	\$ 2,512
GBP 110,000	USD 177,478	Bank of New York Mellon Corp.	1/16/13	(1,255)
GBP 110,000	USD 176,157	Citigroup, Inc.	1/16/13	66
USD 204,294	AUD 201,000	UBS AG	1/16/13	(4,769)
USD 2,883,042	CAD 2,819,500	UBS AG	1/16/13	47,237
USD 175,751	GBP 110,000	Citigroup, Inc.	1/16/13	(472)
USD 173,921	GBP 108,000	Citigroup, Inc.	1/16/13	902
USD 5,136,304	GBP 3,204,500	Goldman Sachs Group, Inc.	1/16/13	2,615
USD 175,279	GBP 110,000	JPMorgan Chase & Co.	1/16/13	(944)
USD 152,888	GBP 96,000	Royal Bank of Scotland Group Plc	1/16/13	(907)
USD 285,832	GBP 180,000	UBS AG	1/16/13	(2,532)
USD 225,809	GBP 142,000	UBS AG	1/16/13	(1,679)
EUR 28,000	USD 36,239	Bank of New York Mellon Corp.	1/23/13	195
EUR 286,000	USD 371,762	Citigroup, Inc.	1/23/13	388
EUR 212,000	USD 271,479	Citigroup, Inc.	1/23/13	4,380
EUR 730,000	USD 942,702	Citigroup, Inc.	1/23/13	7,191
EUR 53,000	USD 67,383	UBS AG	1/23/13	1,582
USD 63,848	EUR 50,000	Goldman Sachs Group, Inc.	1/23/13	(1,213)
USD 389,499	EUR 300,000	UBS AG	1/23/13	(868)
USD 22,102,369	EUR 16,854,000	UBS AG	1/23/13	171,546
<b>Total</b>				\$ 223,975

Credit default swaps - buy protection outstanding as of November 30, 2012 were as follows:

Issuer	Pay Fixed Rate	Counterparty	Expiration Date	Notional Amount (000)	Unrealized Appreciation (Depreciation)
Republic of Hungary	1.00%	Deutsche Bank AG	12/20/15	\$ 300	\$ (7,954)
Israel (State of)	1.00%	Deutsche Bank AG	3/20/17	\$ 225	(7,528)
Israel Government Bond	1.00%	Deutsche Bank AG	3/20/17	\$ 675	(22,986)
K Hovnanian Enterprises, Inc.	5.00%	Credit Suisse Securities (USA) LLC	9/20/17	\$ 75	(426)
K Hovnanian Enterprises, Inc.	5.00%	Deutsche Bank AG	9/20/17	\$ 30	(135)
K Hovnanian Enterprises, Inc.	5.00%	JPMorgan Chase & Co.	9/20/17	\$ 30	(170)
Beazer Homes USA, Inc.	5.00%	JPMorgan Chase & Co.	12/20/17	\$ 75	422
<b>Total</b>					\$ (38,777)





## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

Credit default swaps - sold protection outstanding as of November 30, 2012 were as follows:

Issuer	Receive Fixed Rate	Counterparty	Expiration Date	Issuer Credit Rating <sup>1</sup>	Notional Amount (000) <sup>2</sup>	Unrealized Appreciation
Air Lease Corp.	5.00%	Goldman Sachs International	2/14/13	NR	\$ 500	\$ 4,246
CIT Group, Inc.	5.00%	Deutsche Bank AG	9/20/15	BB-	\$ 3,400	456,210
Caesars Entertainment Operating Co., Inc.	5.00%	JPMorgan Chase & Co.	12/20/15	B-	\$ 274	8,599
ARAMARK Corp.	5.00%	Goldman Sachs International	3/20/16	B+	\$ 500	36,340
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	B+	\$ 300	21,897
ARAMARK Corp.	5.00%	Goldman Sachs International	6/20/16	B+	\$ 300	23,451
ARAMARK Corp.	5.00%	Credit Suisse Securities (USA) LLC	9/20/16	B+	\$ 125	13,195
ARAMARK Corp.	5.00%	Deutsche Bank AG	3/20/17	B+	\$ 200	11,922
Crown Castle International Corp.	7.25%	Deutsche Bank AG	3/20/17	B+	\$ 470	66,068
Ford Motor Co.	5.00%	Deutsche Bank AG	3/20/17	BB+	\$ 1,500	114,925
CCO Holdings LLC	8.00%	Deutsche Bank AG	9/20/17	BB-	\$ 1,600	336,960
Level 3 Communications, Inc.	5.00%	Goldman Sachs International	6/20/19	B-	\$ 1,000	52,307
<b>Total</b>						\$ 1,146,120

<sup>1</sup> Using Standard & Poor's rating.<sup>2</sup> The maximum potential amount the Fund may pay should a negative credit event take place as defined under the terms of the agreement.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Fund management. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Fair Value Measurements - Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a disclosure hierarchy consisting of three broad levels for financial reporting purposes as follows:

Level 1 unadjusted price quotations in active markets/exchanges for identical assets and liabilities that the Fund has the ability to access

Level 2 other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments and derivative financial instruments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and derivative financial instruments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its semi-annual report.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy as of November 30, 2012:

	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments:				
Long-Term Investments:				
Common Stocks	\$ 15,260,190	\$ 2,209,623	\$ 5,299,519	\$ 22,769,332
Corporate Bonds		294,031,298	5,222,568	299,253,866
Floating Rate Loan Interests		51,406,737	13,600,672	65,007,409
Other Interests	94		4,929	5,023
Preferred Securities	3,383,137	6,372,570		9,755,707
Warrants		109,928	1	109,929
Short-Term Securities	1,690,937			1,690,937
<b>Total</b>	\$ 20,334,358	\$ 354,130,156	\$ 24,127,689	\$ 398,592,203
<b>Derivative Financial Instruments <sup>1</sup></b>				
<b>Assets:</b>				
Credit contracts		\$ 282,636	\$ 863,484	\$ 1,146,120
Foreign currency exchange contracts		238,614		238,614
<b>Liabilities:</b>				
Credit contracts		(38,777)		(38,777)
Equity contracts	\$ (53,372)			(53,372)
Foreign currency exchange contracts		(14,639)		(14,639)

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<b>Total</b>	\$	(53,372)	\$	467,834	\$	863,484	\$	1,277,946
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<sup>1</sup> Derivative financial instruments are swaps, financial futures contracts, foreign currency exchange contracts and options. Swaps, financial futures contracts and foreign currency exchange contracts are valued at the unrealized appreciation/depreciation on the instrument and options are shown at value.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

Certain of the Fund's assets and liabilities are held at carrying amount, which approximates fair value for financial reporting purposes. As of November 30, 2012, such assets and liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Cash	\$ 26,996			\$ 26,996
Cash pledged as collateral for financial futures contracts	248,000			248,000
Cash pledged as collateral for swaps	100,000			100,000
Foreign currency at value	16,807			16,807
<b>Liabilities:</b>				
Cash received as collateral for swaps		\$ (1,000,000)		(1,000,000)
Loans payable		(115,000,000)		(115,000,000)
<b>Total</b>	\$ 391,803	\$ (116,000,000)		\$ (115,608,197)

There were no transfers between Level 1 and Level 2 during the period ended November 30, 2012.

A reconciliation of Level 3 investments and derivative financial instruments is presented when the Fund had a significant amount of Level 3 investments and derivative financial instruments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

	Common	Corporate	Floating Rate	Other	Preferred		Total
	Stocks	Bonds	Loan Interests	Interests	Securities	Warrants	
<b>Assets/Liabilities:</b>							
Opening Balance, as of February 29, 2012	\$ 4,322,217	\$ 4,458,734	\$ 9,295,244	\$ 4,642	\$ 352,582	\$ 1	\$ 18,433,420
Transfers into Level 3 <sup>1</sup>			1,249,640				1,249,640
Transfers out of Level 3 <sup>1</sup>	(38,470)		(130,528)				(168,998)
Accrued discounts/premiums		702	130,907				131,609
Net realized gain (loss)	(937,908)		(371,234)		(87,104)	(177,871)	(1,574,117)
Net change in unrealized appreciation/depreciation <sup>2</sup>	799,475	(233,692)	271,612	287	110,561	177,871	1,126,114
Purchases	1,154,217	1,121,399	4,581,222				6,856,838
Sales	(12)	(124,575)	(1,426,191)		(376,039)		(1,926,817)
<b>Closing Balance, as of November 30, 2012</b>	\$ 5,299,519	\$ 5,222,568	\$ 13,600,672	\$ 4,929		\$ 1	\$ 24,127,689

<sup>1</sup> Transfers into and transfers out of Level 3 represent the values as of the beginning of the reporting period.

<sup>2</sup> The change in unrealized appreciation/depreciation on investments still held as of November 30, 2012 was \$(402,578).

## Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

The following table is a reconciliation of Level 3 derivative financial instruments for which significant unobservable inputs were used in determining fair value:

	Credit Contracts
<b>Assets:</b>	
Opening Balance, as of August 31, 2012	\$ 237,861
Transfers into Level 3 <sup>3</sup>	
Transfers out of Level 3 <sup>3</sup>	
Accrued discounts/premiums	
Net realized gain (loss)	
Net change in unrealized appreciation/depreciation <sup>4</sup>	625,623
Purchases	
Issues <sup>5</sup>	
Sales	
Settlements <sup>6</sup>	
<b>Closing Balance, as of November 30, 2012</b>	<b>\$ 863,484</b>

<sup>3</sup> Transfers into and transfers out of Level 3 represent the values as of the beginning of the reporting period.

<sup>4</sup> The change in unrealized appreciation/depreciation on derivative financial instruments still held as of November 30, 2012 was \$625,623.

<sup>5</sup> Issues represent upfront cash received on certain derivative financial instruments.

<sup>6</sup> Settlements represent periodic contractual cash flows and/or cash flows to terminate certain derivative financial instruments.

The following table summarizes the valuation techniques used and unobservable inputs developed by the BlackRock Global Valuation Methodologies Committee ( Global Valuation Committee ) to determine the value of certain of the Fund's Level 3 investments and derivative financial instruments as of November 30, 2012. The table does not include Level 3 investments and derivative financial instruments with values derived utilizing transaction prices from recent prior transactions or third party pricing information without adjustment for which such inputs are also unobservable. A significant change in third party pricing information could result in a significantly lower or higher value of such Level 3 investments and derivative financial instruments. The value of Level 3 investments and derivative financial instruments derived using prices from prior transactions and/or third party pricing information is \$12,010,509.

	Value	Valuation Techniques	Unobservable Inputs <sup>1</sup>	Range of Unobservable Inputs Utilized	Weighted Average of Unobservable Inputs <sup>2</sup>
<b>Assets:</b>					
Common Stocks	\$ 4,885,152	Market Comparable Companies	EBITDA Multiple Forward EBITDA Multiple	6.7x 5.4x	6.7x 5.4x
		Restructure Terms <sup>3</sup> Cost	N/A N/A <sup>4</sup>		
Corporate Bonds	4,605,043	Market Comparable Companies	Yield EBITDA Multiple	9.67% 12.1% 6.0x	10.6% 6.0x
		Discounted Cashflow Restructure Terms <sup>3</sup>	Yield N/A	12.0%	12.0%
Floating Rate Loan interests	3,490,469	Market Comparable Companies	Illiquidity Discount Yield	50% 9.64%	50% 9.64%
		Cost	N/A <sup>4</sup>		
<b>Total</b>	<b>\$ 12,980,664</b>				

<sup>1</sup> A change to the unobservable input may result in a significant change to the value of the investment as follows:

Unobservable Input	Impact to Value if Input Increases	Impact to Value if Input Decreases
EBITDA Multiple	Increase	Decrease
Forward EBITDA Multiple	Increase	Decrease

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Illiquidity Discount	Decrease	Increase
Yield	Decrease	Increase

<sup>2</sup> Unobservable inputs are weighted based on the value of the investments included in the range.

<sup>3</sup> Investment is valued based on the company's financial restructuring plan.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

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## Consolidated Schedule of Investments (concluded)

BlackRock Corporate High Yield Fund III, Inc. (CYE)

<sup>4</sup> The Fund fair values certain of its Level 3 investments using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. In such cases, these investments are generally privately held investments. There may not be a secondary market, and/or there are a limited number of investors. The determination to fair value such investments at cost is based upon factors consistent with the principles of fair value measurement that are reasonably available to the Global Valuation Committee, or its delegate. Valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market data may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a nonpublic investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

BLACKROCK CORPORATE HIGH YIELD FUND III, INC.

NOVEMBER 30, 2012

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Item 2 Controls and Procedures

- 2(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act )) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.
- 2(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock Corporate High Yield Fund III, Inc.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Corporate High Yield Fund III, Inc.

Date: January 23, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of

BlackRock Corporate High Yield Fund III, Inc.

Date: January 23, 2013

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Corporate High Yield Fund III, Inc.

Date: January 23, 2013